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Department of Executive Administration

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City of Seattle

Comprehensive Annual Financial Report

Calendar Year January 1 - December 31, 2001

published: July 2002

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Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
ASSETS						
<i>Current Assets</i>						
Cash and Equity in Pooled Investments	\$ 49,701	\$ 120,721	\$ 11,774	\$ 176,928	\$ 21,281	\$ 34,810
Investments	17	-	-	33,962	-	-
Cash with Fiscal Agent	-	-	367	-	-	-
Receivables, Net of Allowances:						
Taxes	37,700	4,232	475	754	631	-
Accounts	4,350	4,476	-	75	70,923	143
Contracts and Notes	20,101	2,606	-	-	25,180	-
Special Assessments	-	-	4	-	-	-
Interest and Dividends	252	36	-	490	-	-
Interfund Loans	3,001	-	-	-	-	-
Unbilled and Other	927	10,502	-	110	75,926	1,266
Due from Other Funds	11,128	10,175	24	2,484	3,321	7,171
Due from Other Governments	28,429	17,633	126	2,579	2,614	4,556
Inventories	-	1,214	-	-	26,331	2,367
Prepayments and Other Current Assets	1,500	-	-	-	1,212	70
<i>Restricted Assets</i>						
Revenue Bond Reserves:						
Cash and Equity in Pooled Investments	-	-	-	-	77,395	-
Investments	-	-	-	-	-	-
Bond Proceeds/Construction Fund:						
Cash and Equity in Pooled Investments	-	-	-	-	97,961	3,363
Investments	-	-	-	-	146,134	-
Vendor and Other Deposits - Cash and Equity in Pooled Investments	-	-	-	-	7,917	355
<i>Property, Plant, and Equipment</i>						
Land and Land Rights	-	-	-	-	49,607	86
Plant in Service, Excluding Land	-	-	-	-	3,284,392	171,340
Less Accumulated Depreciation	-	-	-	-	(1,169,757)	(100,470)
Construction in Progress	-	-	-	-	367,219	3,102
Non-Operating Property, Net of Accumulated Depreciation	-	-	-	-	9,866	-
<i>Deferred Charges and Other Assets</i>						
Noncurrent Receivables:						
Contracts and Notes	5,123	154,469	-	25,834	802	-
Advances to Other Funds	37,200	-	-	70,000	-	-
Interfund Loans	5,200	-	-	-	-	-
Deferred Power Costs	-	-	-	-	300,000	-
Capitalized Purchased Power Commitments	-	-	-	-	56,948	-
Deferred Landfill Closure and Postclosure Costs, Net	-	-	-	-	42,153	-
Prepaid Secondary Treatment Service	-	-	-	-	380	-
Deferred Conservation Costs, Net	-	-	-	-	108,077	-
Unamortized Bond Issue Costs, Net	-	-	-	-	10,753	-
Other Deferred Charges	-	-	1	-	94,686	-
<i>Other Debits</i>						
Amount Available for Debt Service	-	-	-	-	-	-
Amount to be Provided for Retirement of Long-Term Debt	-	-	-	-	-	-
TOTAL ASSETS	\$ 204,629	\$ 326,064	\$ 12,771	\$ 313,216	\$ 3,711,952	\$ 128,159

The accompanying notes are an integral part of these financial statements.

General Purpose Financial Statements

Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

	Fiduciary Fund Types	Account Groups		Comparative Totals (Memorandum Only)	
	Trust and Agency	General Fixed Assets	General Long-Term Debt	2001	Restated 2000
ASSETS					
<i>Current Assets</i>					
Cash and Equity in Pooled Investments	\$ 39,037	\$ -	\$ -	\$ 454,252	\$ 552,204
Investments	1,489,023	-	-	1,523,002	1,567,362
Cash with Fiscal Agent	-	-	-	367	531
Receivables, Net of Allowances:					
Taxes	357	-	-	44,149	45,135
Accounts	4	-	-	79,971	78,765
Contracts and Notes	578	-	-	48,465	6,310
Special Assessments	-	-	-	4	20
Interest and Dividends	12,009	-	-	12,787	15,069
Interfund Loans	-	-	-	3,001	5
Unbilled and Other	83	-	-	88,814	58,517
Due from Other Funds	2,912	-	-	37,215	43,017
Due from Other Governments	9	-	-	55,946	52,173
Inventories	-	-	-	29,912	30,463
Prepayments and Other Current Assets	-	-	-	2,782	19,511
<i>Restricted Assets</i>					
Revenue Bond Reserves:					
Cash and Equity in Pooled Investments	-	-	-	77,395	57,514
Investments	-	-	-	-	14,976
Bond Proceeds/Construction Fund:					
Cash and Equity in Pooled Investments	-	-	-	101,324	68,974
Investments	-	-	-	146,134	-
Vendor and Other Deposits - Cash and Equity in Pooled Investments	-	-	-	8,272	5,736
<i>Property, Plant, and Equipment</i>					
Land and Land Rights	-	210,493	-	260,186	254,076
Plant in Service, Excluding Land	333	912,869	-	4,368,934	4,161,956
Less Accumulated Depreciation	(280)	-	-	(1,270,507)	(1,185,335)
Construction in Progress	-	231,934	-	602,255	469,179
Non-Operating Property, Net of Accumulated Depreciation	-	-	-	9,866	9,396
<i>Deferred Charges and Other Assets</i>					
Noncurrent Receivables:					
Contracts and Notes	-	-	-	186,228	173,433
Advances to Other Funds	-	-	-	107,200	11,003
Interfund Loans	-	-	-	5,200	-
Deferred Power Costs	-	-	-	300,000	-
Capitalized Purchased Power Commitments	-	-	-	56,948	65,856
Deferred Landfill Closure and Postclosure Costs, Net	-	-	-	42,153	46,537
Prepaid Secondary Treatment Service	-	-	-	380	434
Deferred Conservation Costs, Net	-	-	-	108,077	88,556
Unamortized Bond Issue Costs, Net	-	-	-	10,753	7,751
Other Deferred Charges	-	-	-	94,687	55,446
<i>Other Debits</i>					
Amount Available for Debt Service	-	-	18,648	18,648	15,643
Amount to be Provided for Retirement of Long-Term Debt	-	-	808,697	808,697	709,876
TOTAL ASSETS	\$ 1,544,065	\$ 1,355,296	\$ 827,345	\$ 8,423,497	\$ 7,500,088

The accompanying notes are an integral part of these financial statements.

Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
LIABILITIES						
<i>Current Liabilities</i>						
Securities Lending Collateral	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	16,696	19,798	25	25,556	60,192	5,072
Matured Long-Term Debt - Principal	-	-	345	-	-	-
Matured Long-Term Debt - Interest	-	-	22	-	-	-
Contracts Payable - Current	638	1,420	-	1,422	-	7
Due to Other Funds	5,183	6,230	-	6,237	11,083	3,360
Due to Other Governments	5,715	5,467	-	-	-	-
Interfund Loans Payable	-	-	-	-	3,001	-
Salaries, Benefits, and Payroll Taxes Payable	9,301	5,977	-	-	6,323	2,220
Compensated Absences Payable	-	-	-	-	16,109	5,720
Accrued Taxes Payable	-	-	-	-	9,400	-
Claims Payable - Current	-	-	-	-	2,908	394
Environmental Liability - Current	-	-	-	-	347	-
Accrued Interest Payable	-	-	353	215	33,183	35
Deposits Payable	1,234	234	-	-	-	-
Revenue Collected/Billed in Advance - Current	4,500	736	-	-	-	-
Revenue Bonds Due Within One Year	-	-	-	-	67,197	-
General Obligation Bonds Due Within One Year	-	-	-	-	290	1,416
Current Portion of Other Long-Term Debt	-	-	-	-	8,997	-
Accrued Landfill Closure and Postclosure Costs	-	-	-	-	1,375	-
Other Current Liabilities	439	117	-	-	38,132	157
<i>Revenue Bonds</i>						
Revenue Bonds and Anticipation Notes Payable	-	-	-	-	2,487,308	-
Less Bonds Due Within One Year	-	-	-	-	(67,197)	-
Bond Discount and Premium, Net	-	-	-	-	6,908	-
Less Deferred Charges on Advanced Refunding	-	-	-	-	(50,014)	-
<i>General Obligation Bonds</i>						
General Obligation Bonds, Due Serially	-	-	-	-	73,829	7,389
Less Bonds Due Within One Year	-	-	-	-	(290)	(1,416)
Bond Discount and Premium, Net	-	-	-	-	360	188
Accrued Interest on Deferred Interest Bonds	-	-	-	-	1,983	-
<i>Other Noncurrent Liabilities</i>						
Advances from Other Funds/Interfund Loans Payable	-	-	-	5,200	100,000	7,200
Notes and Other Long-Term Liabilities	-	-	-	-	-	-
Compensated Absences Payable	-	-	-	-	-	-
Claims Payable - Noncurrent	-	-	-	-	7,155	846
Workers' Compensation Payable	-	-	-	-	-	-
Arbitrage Rebate Liability	-	-	-	-	-	-
Accrued Landfill Postclosure Costs, Net of Current	-	-	-	-	28,231	-
Environmental Liability	-	-	-	-	4,928	-
Purchased Power Obligation	-	-	-	-	48,078	-
Vendor Deposits Payable	-	-	-	-	4,262	355
Deferred Revenues	23,309	174,372	476	27,229	-	-
Other Noncurrent Liabilities	-	-	-	-	2,453	-
TOTAL LIABILITIES	\$ 67,015	\$ 214,351	\$ 1,221	\$ 65,859	\$ 2,906,531	\$ 32,943

The accompanying notes are an integral part of these financial statements.

General Purpose Financial Statements

Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

	Fiduciary Fund Types	Account Groups		Comparative Totals (Memorandum Only)	
	Trust and Agency	General Fixed Assets	General Long-Term Debt	2001	Restated 2000
LIABILITIES					
Current Liabilities					
Securities Lending Collateral	\$ 120,216	\$ -	\$ -	\$ 120,216	\$ 80,512
Accounts Payable	2,108	-	-	129,447	167,076
Matured Long-Term Debt - Principal	-	-	-	345	495
Matured Long-Term Debt - Interest	-	-	-	22	36
Contracts Payable - Current	-	-	-	3,487	3,669
Due to Other Funds	5,122	-	-	37,215	43,134
Due to Other Governments	168	-	-	11,350	9,711
Interfund Loans Payable	-	-	-	3,001	5
Salaries, Benefits, and Payroll Taxes Payable	7,644	-	-	31,465	27,919
Compensated Absences Payable	176	-	-	22,005	19,499
Accrued Taxes Payable	-	-	-	9,400	6,658
Claims Payable - Current	143	-	-	3,445	3,370
Environmental Liability - Current	-	-	-	347	-
Accrued Interest Payable	40	-	-	33,826	24,373
Deposits Payable	8,961	-	-	10,429	8,546
Revenue Collected/Billed in Advance - Current	-	-	-	5,236	2,343
Revenue Bonds Due Within One Year	-	-	-	67,197	63,584
General Obligation Bonds Due Within One Year	-	-	-	1,706	822
Current Portion of Other Long-Term Debt	-	-	-	8,997	8,483
Accrued Landfill Closure and Postclosure Costs	-	-	-	1,375	1,516
Other Current Liabilities	51	-	-	38,896	5,541
Revenue Bonds					
Revenue Bonds and Anticipation Notes Payable	-	-	-	2,487,308	1,850,047
Less Bonds Due Within One Year	-	-	-	(67,197)	(63,584)
Bond Discount and Premium, Net	-	-	-	6,908	(10,507)
Less Deferred Charges on Advanced Refunding	-	-	-	(50,014)	(47,897)
General Obligation Bonds					
General Obligation Bonds, Due Serially	-	-	701,107	782,325	690,147
Less Bonds Due Within One Year	-	-	-	(1,706)	(822)
Bond Discount and Premium, Net	-	-	-	548	352
Accrued Interest on Deferred Interest Bonds	-	-	-	1,983	1,322
Other Noncurrent Liabilities					
Advances from Other Funds/Interfund Loans Payable	-	-	-	112,400	11,003
Notes and Other Long-Term Liabilities	-	-	21,733	21,733	22,426
Compensated Absences Payable	-	-	44,423	44,423	39,093
Claims Payable - Noncurrent	80	-	44,635	52,716	50,595
Workers' Compensation Payable	-	-	13,304	13,304	12,151
Arbitrage Rebate Liability	-	-	2,143	2,143	1,655
Accrued Landfill Postclosure Costs, Net of Current	-	-	-	28,231	30,658
Environmental Liability	-	-	-	4,928	1,971
Purchased Power Obligation	-	-	-	48,078	57,501
Vendor Deposits Payable	-	-	-	4,617	5,912
Deferred Revenues	-	-	-	225,386	200,963
Other Noncurrent Liabilities	-	-	-	2,453	2,519
TOTAL LIABILITIES	\$ 144,709	\$ -	\$ 827,345	\$ 4,259,974	\$ 3,332,796

The accompanying notes are an integral part of these financial statements.

Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
FUND EQUITY AND OTHER CREDITS						
<i>Contributed Capital</i>	\$ -	\$ -	\$ -	\$ -	\$ 512,359	\$ 8,377
<i>Investment in General Fixed Assets</i>	-	-	-	-	-	-
<i>Retained Earnings (Accumulated Deficit)</i>	-	-	-	-	293,062	86,839
<i>Fund Balances</i>						
Reserves Legally Segregated for Future Use:						
Capital Improvements	-	687	-	157,214	-	-
Continuing Appropriations	15,099	53,331	-	-	-	-
Debt Service	7,098	-	11,550	-	-	-
Encumbrances	16,607	32,396	-	20,140	-	-
Street Utility Repayments	-	-	-	-	-	-
Health Care	2,835	-	-	-	-	-
South Lake Union Parcel 14 Contingency	5,000	-	-	-	-	-
Reserves Not Available for Appropriation:						
Endowments and Gifts	-	8,264	-	-	-	-
Interfund Loans	8,201	-	-	-	-	-
Inventories	-	924	-	-	-	-
Advances to Other Funds	37,200	-	-	70,000	-	-
Petty Cash and Prepaid Items	1,534	41	-	-	-	-
Employee Pension Benefits	-	-	-	-	-	-
Employer Contribution	-	-	-	-	-	-
Unreserved Fund Balance:						
Designated for Various Purposes	43,403	9,047	-	-	-	-
Undesignated	637	7,023	-	3	-	-
TOTAL FUND EQUITY AND OTHER CREDITS	137,614	111,713	11,550	247,357	805,421	95,216
TOTAL LIABILITIES AND FUND EQUITY	\$ 204,629	\$ 326,064	\$ 12,771	\$ 313,216	\$ 3,711,952	\$ 128,159

The accompanying notes are an integral part of these financial statements.

General Purpose Financial Statements

Exhibit 1

ALL FUND TYPES AND ACCOUNT GROUPS

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COMBINED BALANCE SHEET

December 31, 2001

(In Thousands)

Fiduciary Fund Types	Account Groups		Comparative Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt	2001	Restated 2000
Trust and Agency				
FUND EQUITY AND OTHER CREDITS				
<i>Contributed Capital</i>	\$ -	\$ -	\$ -	\$ 520,736
<i>Investment in General Fixed Assets</i>	-	1,355,296	-	1,355,296
<i>Retained Earnings (Accumulated Deficit)</i>	-	-	-	379,901
<i>Fund Balances</i>				
Reserves Legally Segregated for Future Use:				
Capital Improvements	-	-	-	157,901
Continuing Appropriations	-	-	-	68,430
Debt Service	-	-	-	18,648
Encumbrances	1,199	-	-	70,342
Street Utility Repayments	-	-	-	-
Health Care	-	-	-	2,835
South Lake Union Parcel 14 Contingency	-	-	-	5,000
Reserves Not Available for Appropriation:				
Endowments and Gifts	2,270	-	-	10,534
Interfund Loans	-	-	-	8,201
Inventories	-	-	-	924
Advances to Other Funds	-	-	-	107,200
Petty Cash and Prepaid Items	-	-	-	1,575
Employee Pension Benefits	1,383,702	-	-	1,383,702
Employer Contribution	185,666	-	-	185,666
Unreserved Fund Balance:				
Designated for Various Purposes	-	-	-	52,450
Undesignated	(173,481)	-	-	(165,818)
TOTAL FUND EQUITY AND OTHER CREDITS	1,399,356	1,355,296	-	4,163,523
TOTAL LIABILITIES AND FUND EQUITY	\$ 1,544,065	\$ 1,355,296	\$ 827,345	\$ 8,423,497
				\$ 7,500,088

The accompanying notes are an integral part of these financial statements.

May 22, 2002

The Honorable Mayor and
Members of the City Council:

I am pleased to submit to you the 2001 Comprehensive Annual Financial Report of the City of Seattle, Washington. The Department of Finance has prepared this report to present the financial position of the City of Seattle at December 31, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended. The financial statements and supporting schedules have been prepared in accordance with generally accepted accounting principles and meet the requirements of the State Auditor and the City Charter.

The City of Seattle is a primary government for financial reporting purposes, as its governing body is elected by the citizens in a general, popular election. This report includes all organizations and activities for which elected City officials exercise financial accountability. Certain organizations created by or related to the City, for which the City is not financially accountable, have been excluded from this report. Joint ventures and contingent liabilities, which exist from relationships with organizations created by the City, are included in this report. The notes to the financial statements further discuss the City as a financial reporting entity.

There are three main sections to this report:

The **Introductory Section** includes information about City organization and describes economic conditions and outlook, major initiatives, and financial management.

The **Financial Section** includes the State Auditor's opinion, the general purpose financial statements, and combining and individual statements and schedules for the City's funds and account groups.

The **Statistical Section** includes ten years of summary financial data, debt computations, and a variety of demographic, economic, and general information.

The accuracy of the City's financial statements and the completeness and fairness of their presentation is the responsibility of City management. The City maintains a system of internal accounting controls designed to provide a reasonable assurance that assets are safeguarded against loss or unauthorized use and that financial records can be relied upon to produce financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed benefits likely to be derived. Comprehensive written policies support the system and the Office of City Auditor reviews internal accounting controls based upon request or observed need.

The control imposed by the City's adopted budget is maintained through the integration of budgetary accounts in fund ledgers for all budgeted funds. An encumbrance system accounts for purchase orders and other contractual commitments.

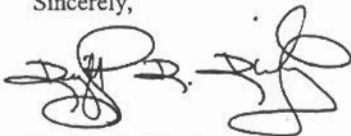
Washington State law requires an annual audit of the City's financial statements by the independently elected State Auditor. The State Auditor conducts his examination in accordance with generally accepted auditing standards and provides an independent assessment that helps assure fair presentation of the City's financial position, results of operations, and the cash flows of its proprietary fund types. In addition to the opinion on the City's financial statements included in this report, the State Auditor also issues separate reports on internal control and compliance with laws and regulations that meet the requirements of the Single Audit Act and related OMB Circular A-133.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Seattle for its comprehensive annual financial report for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

I would like to express my appreciation to the entire staff of Accounting Services, other members of the Department of Finance, and other City departments who contributed to the preparation of this report.

Finally, I thank you for your interest and continuing support in planning and conducting the City's financial operations in a responsible manner.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Dively", with a stylized flourish at the end.

Dwight D. Dively, Director
Department of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Seattle,
Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Seattle for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2000. This was the twentyfirst consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.



Timothy A. Howe
President

Jeffrey L. Esser
Executive Director



Washington State Auditor
Brian Sonntag

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INDEPENDENT AUDITOR'S REPORT

May 22, 2002

The Honorable Mayor and City Council
City of Seattle
Seattle, Washington

We have audited the accompanying general purpose financial statements of the City of Seattle, King County, Washington, as of and for the year ended December 31, 2001, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed pursuant to the *Revised Code of Washington* 43.09.260, under which a full report on the results of this audit will be issued. This report may include findings and recommendations on compliance matters, internal control procedures, and questionable costs or contingencies that would not be material in relation to the City's general purpose financial statements taken as a whole.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Seattle, King County, Washington, and the plan net assets of its pension trust funds as of December 31, 2001, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds and changes in plan net assets of its pension trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the general purpose financial statements, the City was required to adopt Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*, SFAS No. 138, *Accounting for Certain Derivative Instruments and Certain Hedging Activities* an amendment of FASB Statement No. 133, and Governmental Accounting Standards Board No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, effective January 1, 2001.

The historical pension information from the City's retirement system is not a required part of the basic financial statements; it is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Seattle, King County, Washington. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The other data included in this report, designated the statistical section in the table of contents, have not been audited by us and, accordingly, we express no opinion on such data.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR